REMARKS

Claims 1-61 are currently pending in the application. By this amendment, claims 1, 9, 34, 40 and 56 are amended for the Examiner's consideration. The foregoing separate sheets marked as "Listing of Claims" shows all the claims in the application, with an indication of the current status of each.

The Examiner's indication of acceptance of the drawings is acknowledged with appreciation.

It is assumed that the Examiner's office action is responsive to communications filed on February 14, 2006, and that the different date noted in the Office Action Summary is a typographical error.

The Examiner has rejected claims 1-61 under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 5,970,469 to Scroggie in view of U.S. Patent Publication No. 2001/0051895 to Giuliani. Scroggie discloses a system and method for providing shopping incentives to on-line customers. The system and method of Scroggie contemplates selection by the customer from a plurality of incentive offers, where the offers selected designate retailers where the respective offers are effective, and where the selected offers are printed by the customer, permitting the customer to efficiently plan shopping activities (col. 1, line 50, to col. 2 line 13). The technique can be used widely, for example to shop for ingredients for selected culinary recipes (col. 2, lines 14-21).

The following remarks use claim 1 as a model but are applicable to the claimed invention as described in independent claims 1, 9, 34, 40 and 56.

Considering each claim element in turn, the Examiner cites Scroggie col. 7, line 53, to col. 8, line 2, for the claim element "displaying information ... about a commodity ... for purchase incentive ..." (emphasis supplied). The cited passage describes the offers submitted by manufacturers, but nothing in the description suggests the "trial purchase" required by the claimed invention. The passage cited by

the Examiner concludes with a description of sub-offer options that may be associated with an offer, including "displaying information about the product involved in the offer" (col. 8, lines 1-2). Clearly, this covers the claim language "displaying information ... about a commodity ...". However, this is not the operative and critical language of this claim element. The operative and critical language of this claim element is "trial purchase". Indeed, "trial purchase" appears in every element of the claim, which is indicative of its importance. Yet the cited language is silent about a "trial purchase" as described and claimed in the invention.

For the second element of the method of claim 1, the Examiner cites col. 7, lines 33-50 of Scroggie. This element of the invention provides for "determining ... whether or not the user is eligible for a purchase incentive ... from a database recording prior uses ... including prior uses of said purchase incentive procedure." The cited passage discloses use of a customer identifying number, which – if provided by the on-line customer – allows the store to use the purchasing history of the customer to provide more targeted incentives, e.g. directed to an item purchased earlier. The Examiner's notation indicates that Scroggie's method identifies "prior users eligible for incentives." All that Scroggie discloses here is the common practice of targeted solicitation: if the store knows the customer's prior purchasing history, and focuses its solicitation based on that prior purchasing history, then its solicitations are likely to be more effective. One skilled in the art would see that if it makes business sense for the store to provide incentives in order to move a particular product, then a promotion effort will be more efficiently executed if directed toward those who, from their prior purchasing history, are more likely to be interested in purchasing the product and more likely to be responsive to the purchasing incentives.

However, the "incentives" described in Scroggie are quite different from the trial purchase procedure of the present invention. It is important to point out that the trial purchase procedure of the present invention is embodied in a methodology, as described in claim 1, for example. As has been emphasized in prior responses of

record in the prosecution of this application, the present invention is responsive to a concern that new users of an on-line system may be reluctant to engage in the on-line procedure itself, for the reasons described in the specification at page 3, line 7, to page 4, line 4. There is no indication or suggestion in Scroggie of an awareness of, or interest in, this concern. It is not surprising, therefore, that the trial purchase methodology described and claimed in the present invention is not disclosed or suggested in Scroggie.

The Examiner uses the same citation (Scroggie, col. 4, lines 33-50) to argue that Scroggie discloses the remaining two elements of the invention as described in claim 1, substituting the term "purchase incentive" (as used in Scroggie) for "trial purchase" (which is the term used in the invention). These remaining two elements describe the two alternative responses of the invention, based on a determination of eligibility for the trial purchase procedure. The Examiner argues that Scroggie discloses "performing ... said purchase incentive procedure and recording in said database said performance as a prior use by said user" (emphasis supplied). Then the Examiner argues that Scroggie also discloses the alternative, namely, "notifying ... the user ... that said purchase incentive procedure cannot be provided" (emphasis supplied).

The Examiner's argument is apparently based on the following logic, which equates the store's use of a customer's prior history as an "eligibility determination": the store examines the customer's prior history, and either offers an incentive or does not offer the incentive. However, this argument fails on several counts. It is imprecise, and fails to account for the plain meaning of the claimed limitations. The limitation is "notifying ... the user" when the trial purchase procedure cannot be provided. There is nothing comparable in Scroggie with regard to a "purchase incentive". The Scroggie disclosure does not "notify the user" upon a finding that the user is not "eligible." Nor is there any reason in Scroggie to do so, since all Scroggie

is interested in is providing targeted incentives. If a particular customer is not targeted, there is no reason to notify the customer of that determination.

While the Examiner's logic is understandable, it relies upon an implication (i.e. that the customer who does not receive the targeted offer is "implicitly" notified) that is not supported by the Scroggie disclosure. The applicant has set forth the notification limitation as an affirmative limitation, and is entitled to have that limitation acknowledged. The applicant would further emphasize this point by drawing the Examiner's attention to Figure 3, and in particular to the transition provided at S18, where the determination is made by the selling system whether the member is eligible for the trial purchase procedure. It is clear that if the eligibility determination is negative (e.g. the member has already performed a trial purchase), the member will receive at the user terminal an indication that a trial purchase cannot be provided, as shown in item S19. Scroggie neither discloses nor suggests such notification.

This outright omission in Scroggie is the capstone of a series of weak connections between the Scroggie disclosure and the present invention, all of which can be understood with reference to the above described objective of the present invention to address the hesitancies of those who are new to on-line purchasing. To interpret the claimed eligibility determination as reading on Scroggie's targeted marketing scheme takes portions of the claim language and reads them out of context. For example, the "determining ... whether or not the user is eligible" element clearly distinguishes in the database records between prior purchases and prior uses of the trial purchase procedure. The Examiner's reading ignores this distinction. There is no indication in Scroggie of a similar distinction in the database records. Similarly, the claim language of the present invention makes a connection between eligibility for a trial purchase procedure and the recording in the database of a record of such use of the trial purchase procedure. Clearly, there is no description or even suggestion in Scroggie's targeted marketing scheme that, if "targeted" and if a purchase results, the

particular purchase in response to an incentive will be distinguishable in the database from other purchases. Nor is there a description or suggestion in Scroggie of any connection in the logic for "targeting" between such a record of past use of "incentives" and the targeting logic.

As argued in the foregoing analysis, Scroggie fails to provide several elements of the present invention: 1) there is no indication is Scroggie of a database that records prior uses of a trial purchase procedure; 2) there is no indication is Scroggie of an eligibility determination that depends upon these records of prior use; and 3) there is no indication is Scroggie of notification of the user in the event of a non-eligibility determination.

The Examiner acknowledges that Scroggie does not expressly disclose a "trial purchase" as a category of "purchase incentive". This acknowledgment attempts to include the invention's "trial purchase" as a category of "purchase incentive", but the applicant respectfully traverses this attempt at categorization. A "trial purchase" as defined in the specification and claims is characterized, in particular, by an eligibility determination that depends upon prior use of the "trial purchase" procedure and, furthermore, depends negatively upon prior use of that procedure. That is, prior use of the "trial purchase" procedure itself is counted against eligibility. That is, it is use of the trial purchase procedure itself, not purchase of a particular commodity (e.g. a product having a "purchase incentive") that is counted against eligibility. In one implementation, described in the figures (and in particular Figure 3 and the transition from S18 to S19, as described at page 12, lines 21-25), a single prior use prevents eligibility. Other implementations the trial purchase procedure may be provided more than once (see page 13, lines 1-2).

By contrast, Scroggie indicates that a) the purchase incentive system does not require a record of prior use of the purchase incentive procedure in order to provide a purchase incentive, and b) prior purchase of a commodity might in fact figure positively with regard to a targeted incentive ("eligibility") for purchase of that

commodity, since a prior purchaser would be more likely to purchase the same product again. This logic is commonplace for incentives, but is directly contrary to the logic of the present invention, which is targeted toward users who have limited experience with electronic purchasing procedures.

The claims have been amended to clarify that records of prior use of the trial purchase procedure count against future eligibility for use of the procedure.

It should be noted that, in Scroggie, the relevant prior record pertains to the commodity that is the subject of the "purchase incentive", rather than past use of the "purchase incentive" procedure itself.

After acknowledging that Scroggie does not disclose a "trial purchase" procedure, the Examiner cites the Giuliani reference. Giuliani discloses a technique for customizing purchase incentives at checkout based on whether a consumer buys a promoted item or a competitive item, with the incentive being tailored so as to maximize the incentive to buy the promoted product, based on the price differentials between the promoted and the triggering item purchased by the consumer. Giuliani teaches that one form of "incentive" may be "a free trial offer for a specific product" (¶0021). This merely pertains to the form of the incentive for purchasing a promoted product. Thus, in return for purchasing the promoted product the customer may be given "a free trial offer" for another product. In the context of Giuliani, "a free trial offer" has no similarity to a 'trial purchase" as described in the present invention. There is no description of what Giuliani means by "a free trial offer", but there is no indication in Giuliani of a "trial purchase" having the characteristics defined in the present invention.

This reference in Giuliani serves no better than a similar reference in Scroggie itself (see the applicant's prior response). Scroggie itself suggests providing the customer with a sample of the product, which could be construed as a product for free. However, as shown above, that line of reading the claimed invention does not address the limitations as stated in the claims, instead omitting significant aspects of

the limitations. As shown above, these omissions are believed to remove Scroggie as a primary reference for the claim elements where the Examiner cites Scroggie, because the limitations are neither disclosed nor suggested by Scroggie. The addition of Giuliani does not overcome these omissions, and therefore these prior art references, either separately or in combination, fail as references against the claims as currently amended.

In summary, it is submitted that the Examiner has not given full effect to each and every limitation claimed by the applicant. While it is understood that claims in prosecution must be read broadly, such a broad reading must also include each and every limitation. It is respectfully requested that the Examiner reconsider reliance upon the Scroggie reference and apply a reading of the claimed subject matter that includes the whole of what is claimed.

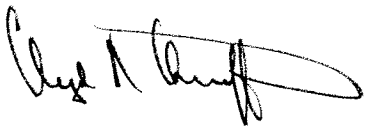
The above arguments apply equally well to claims 9, 40 and 56. Further, since the remaining rejected claims depend from claims 1, 9, 34, 40 or 56 it is believed that the grounds for rejection are overcome as to these remaining claims as well.

In view of the foregoing, it is requested that the application be reconsidered, that claims 1-61 be allowed, and that the application be passed to issue.

Should the Examiner find the application to be other than in condition for allowance, the Examiner is requested to contact the undersigned at 703-787-9400 (fax: 703-787-7557; email: clyde@wcc-ip.com) to discuss any other changes deemed necessary in a telephonic or personal interview.

If an extension of time is required for this response to be considered as being timely filed, a conditional petition is hereby made for such extension of time. Please charge any deficiencies in fees and credit any overpayment of fees to Attorney's Deposit Account No. 50-2041.

Respectfully submitted,



Clyde R Christofferson
Reg. No. 34,138

Whitham, Curtis & Christofferson, P.C.
11491 Sunset Hills Road, Suite 340
Reston, VA 20190
703-787-9400
703-787-7557 (fax)

Customer No. 30743